

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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## MEMORANDUM

TO: Greenfield Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: October 24, 2019

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on January 1 of each fiscal year. The schedule is effective in FY20 (since the amount under the prior schedule was maintained in FY20) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption to 7.25% from 7.40% and a revision to the mortality assumption.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

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Enc.



**Greenfield Retirement System**  
**January 1, 2019 Actuarial Valuation**

Total appropriation increases 10% for one year then 7.26% until FY34, with final amortization payment in FY35

<b>Fiscal Year</b>	<b>Normal Cost</b>	<b>Net 3(8)(c)</b>	<b>Amort. of UAL</b>	<b>Amort. of 2002 ERI</b>	<b>Amort. of 2003 ERI</b>	<b>Total Cost</b>	<b>Unfunded Act. Liab.</b>	<b>% Increase Total Cost</b>
2020	1,782,973	300,000	2,843,283	174,724	12,480	5,113,460	55,228,345	
2021	1,863,207	300,000	3,279,012	182,587		5,624,806	56,092,058	10.00%
2022	1,947,051	300,000	3,595,312	190,803		6,033,167	56,571,650	7.26%
2023	2,034,669	300,000	3,937,116	199,390		6,471,175	56,749,733	7.26%
2024	2,126,229	300,000	4,306,391	208,362		6,940,982	56,577,634	7.26%
2025	2,221,909	300,000	4,705,250	217,738		7,444,897	56,001,099	7.26%
2026	2,321,895	300,000	5,135,965	227,537		7,985,397	54,959,733	7.26%
2027	2,426,380	300,000	5,600,981	237,776		8,565,137	53,386,384	7.26%
2028	2,535,567	300,000	6,102,923	248,476		9,186,966	51,206,486	7.26%
2029	2,649,668	300,000	6,904,271			9,853,939	48,337,320	7.26%
2030	2,768,903	300,000	7,500,432			10,569,335	44,687,224	7.26%
2031	2,893,504	300,000	8,143,165			11,336,669	40,154,725	7.26%
2032	3,023,711	300,000	8,836,000			12,159,711	34,627,587	7.26%
2033	3,159,778	300,000	9,582,728			13,042,506	27,981,782	7.26%
2034	3,301,968	300,000	10,387,424			13,989,392	20,080,359	7.26%
2035	3,450,557	300,000	11,149,050			14,899,607	10,772,217	6.51%
2036	3,605,832	300,000				3,905,832	0	-73.79%

All amounts assume payments will be made January 1 of each fiscal year.

Normal cost includes expenses of \$375,000 and is assumed to increase 4.5% each year.

FY20 appropriation maintained at the same level as the prior schedule.